

## Message Text

CONFIDENTIAL

PAGE 01 STATE 186609

44

ORIGIN NEA-16

INFO OCT-01 ISO-00 SS-20 SP-03 NSC-07 L-03 EB-11 AGR-20

AID-20 SWF-02 CIAE-00 INR-11 NSAE-00 RSC-01 FRB-03

OMB-01 CIEP-03 TRSE-00 XMB-07 COME-00 /129 R

DRAFTED BY:NEA/INS:JNACH

APPROVED BY:NEA:ALATHERTON

NEA/INS:DHKUX

NEA/LBLAINGEN

----- 049553

R 240047Z AUG 74

FM SECSTATE WASHDC

TO AMEMBASSY NEW DELHI

INFO AMEMBASSY ISLAMABAD

AMEMBASSY KABUL

AMEMBASSY DACCA

C O N F I D E N T I A L STATE 186609

E.O. 11652: GDS

TAGS:PFOR, IN, PK, AF

SUBJECT: INDIAN AMBASSADOR CALL ON NEA ASSISTANT  
SECRETARY

REF: STATE 178741

BEGIN SUMMARY:

1. INDIAN AMBASSADOR T.N. KAUL CALLED AT HIS REQUEST ON  
ASSISTANT SECRETARY ATHERTON AUGUST 20. EMBASSY MINISTERS  
RAMAKRISHNA AND GONSALVESPRESENT, AS WELL AS KUX AND  
NACH, NEA/INS. DISCUSSION FOCUSED ON SITUATION IN SUB-  
CONTINENT AND INDO/AMERICAN RELATIONS. KAUL MADE A  
REQUEST FOR PL-480 TITLE I FOODGRAIN ASSISTANCE. END SUM-  
MARY.

2. SITUATION IN THE SUBCONTINENT. FOLLOWING LINES OF  
HIS AUGUST 13 DISCUSSION WITH UNDER SECRETARY SISCO (REFTEL)  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 186609

KAUL REITERATED INDIAN TNTEREST IN LIVING IN PEACE AND

FRIENDSHIP WITH NEIGHBORING COUNTRIES, PROMOTING REGIONAL STABILITY, AND WITH SEEING THE SIMLA PROCESS GO FORWARD. HE SAID THAT AS FAR AS HE KNEW, PAKISTAN HAD NOT YET PROPOSED A DATE FOR RESUMPTION OF DISCUSSIONS AND THAT A RECENT BHUTTO SPEECH IN QUETTA WAS THE ONLY SIGN OF WHICH HE WAS AWARE THAT PAKS WERE INTERESTED IN DOING SO.

3. KAUL REFERRED TO PAK-AFGHAN RELATIONS AND SAID HE HOPED WHAT HE CLAIMED WERE BHUTTO'S ATTEMPTS TO DIVERT ATTENTION FROM DOMESTIC PROBLEMS WOULD NOT RESULT IN NEW DIFFICULTIES. ATHERTON REPLIED THAT WE HAD NO INFORMATION SITUATION WAS CRITICAL, ADDING THAT THE EXCHANGE OF RHETORIC WAS UNFORTUNATE. INDO-AMERICAN RELATIONS.

4. KAUL EXPRESSED HOPE THAT PRESIDENT FORD MIGHT MAKE A REFERENCE TO SOUTH ASIA AND, IF POSSIBLE, EFFORTS UNDER SIMLA AGREEMENT FOR REGIONAL STABILITY IN FUTURE FOREIGN POLICY ADDRESS. KAUL SAID SUCH A SHOW OF INTEREST ON OUR PART "WOULD HAVE A GOOD EFFECT." ATHERTON SAID WE WOULD TAKE NOTE OF KAUL'S SUGGESTION AND REAFFIRMED U.S. INTEREST IN SOUTH ASIAN STABILITY AND SUCCESS OF SIMLA PROCESS.

5. KAUL ALSO REFERRED TO REPORT BY SENATOR JACKSON ON HIS RECENT CHINA TRIP IN WHICH, ACCORDING TO KAUL, SENATOR IMPLIED INDIA MIGHT POSE THREAT TO PEACE OF SUBCONTINENT. ATHERTON POINTED OUT SENATOR DID NOT SPEAK FOR EXECUTIVE BRANCH AND, IN RESPONSE TO KAUL'S QUERY, AGREED IT MIGHT BE USEFUL FOR KAUL TO SEE JACKSON. (COMMENT: IN REPORT, JACKSON RECOUNTS CHINESE VIEWS AND DOES NOT GIVE HIS OWN.) COPY OF REPORT BEING POUCHED DELHI.

6. KAUL SAID THAT DISCRIMINATION AGAINST INDIA IN ALREADY PASSED OR PENDING FOREIGN ASSISTANCE LEGISLATION CREATED BAD IMPRESSION. CITING THE LONG AMENDMENT TO THE RECENTLY SIGNED IDA REPLENISHMENT BILL, KAUL ASSERTED THE U.S. SHOULD NOT INJECT BILATERAL CONSIDERATIONS INTO A MULTILATERAL AGENCY. HE ALSO REFERRED TO EFFORTS TO PASS ANTI-INDIAN AMENDMENTS TO THE FOREIGN ASSISTANCE BILL. ATHERTON STATED THAT THE EXECUTIVE BRANCH WAS CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 186609

STRONGLY OPPOSED TO SUCH DISCRIMINATION AND WAS WORKING TO ELIMINATE DISCRIMINATORY AMENDMENTS FROM AID LEGISLATION. HE SAID WE HAD JUST GAINED SUPPORT OF CONGRESSMAN LEE HAMILTON TO OPPOSE AMENDMENT BY CONGRESSMAN WILSON OF TEXAS TO LIMIT ALL FORMS OF AID TO INDIA TO \$75 MILLION IN CURRENT COMMITTEE MARK-UP.

7. KAUL BROUGHT UP DEBT RELIEF QUESTION AND INDIAN DESIRE

FOR INCREASE IN U.S. SHARE, AGAIN STRESSING THAT POSITIVE U.S. ACTION WAS "MORE IMPORTANT THAN AID" BECAUSE OF THE EXAMPLE TO OTHER CREDITOR COUNTRIES. ATHERTON SAID WE HAD REQUEST UNDER ACTIVE REVIEW AND HOPED FOR EARLY RESPONSE. KAUL ALSO REFERRED TO UNWILLINGNESS OF EXIM BANK TO ACCEPT LOAN GURANTEE FROM THE STATE BANK OF INDIA. WE SAID WE WOULD LOOK INTO THIS MATTER AGAIN.

8. IN REGARD TO THE SECRETARY'S VISIT TO INDIA, ATHERTON TOLD KAUL THAT NOW THAT WE HAD HEARD INDIANS PREFERRED THE OCTOBER 26-31 PERIOD, WE WERE WORKING TO PIN DOWN PRECISE DATES.

9. PL-480 TITLE I ASSISTANCE. KAUL ENDED THE CONVERSATION NOTING THAT WE HAD JUST AGREED TO PROVIDE EGYPT WITH 100,000 TONS OF PL-480 FOODGRAINS ON CONCESSIONAL SALES BASIS. HE INQUIRED WHETHER "SOMETHING SIMILAR" COULD BE DONE FOR INDIA, BUT WITH MUCH LARGER AMOUNT. WHEN ATHERTON ASKED WHETHER KAUL WAS MAKING AN OFFICIAL REQUEST FOR PL-480 (TITLE I) ASSISTANCE, KAUL REPLIED, "YES". THE INDIANS SAID THEY WERE INTERESTED IN SUBSTANTIAL AMOUNT OF FOODGRAINS--AT LEAST IN THE MILLION-TON RANGE--AND IN LONG-TERM CREDITS. ATHERTON POINTED OUT THAT THERE WERE UNCERTAINTIES IN HOW MUCH FOODGRAIN THE U.S. MIGHT HAVE AVAILABLE AND MADE NO COMMITMENTS.

KISSINGER

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN RELATIONS, DIPLOMATIC DISCUSSIONS, BORDER INCIDENTS, DEBT REPAYMENTS, FOREIGN ASSISTANCE, PL 480  
TITLE 1  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE186609  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** NEA/INS:JNACH  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740234-1068  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740820/aaaaaqpo.tel  
**Line Count:** 142  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN NEA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 178741  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 13 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <13-Aug-2002 by boyleja>; APPROVED <03 MAR 2003 by boyleja>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** INDIAN AMBASSADOR CALL ON NEA ASSISTANT SECRETARY  
**TAGS:** PFOR, IN, PK, AF, (KAUL, T N)  
**To:** NEW DELHI  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005